

Impact Of Gst Implementation On Retail Entrepreneurs In India

¹C. Thrisha, ²Dr. K. Gyaneshwari

¹Associate. Professor, Hod, Department of MBA, Tkr College of Engineering & Technology

Hyderabad

² Assistant Professor, Department of MBA, Tkr College of Engineering & Technology Hyderabad

Abstract

Goods and Services Tax (GST) is one of the most important tax reforms brought to bear by India at present, to make a comprehensive and transparent, consolidated tax system. The objective of this paper is to evaluate the effect of GST on retail entrepreneurs and the effects of the new tax system on retail-oriented economy. The study discusses the structure and framework of GST, its aims, its characteristics and its mechanism of application. The research estimates the impact of GST and examines the cost, price and profitability of retail businesses, compared to pre-GST and post-GST taxation systems. It checks if GST has made tax compliance easier and trade between retailers more efficient. This research also highlights some of the challenges such retail entrepreneur's face under the GST environment: compliance as well as technology adaptation, filing processes and tax intricacies. In addition, the study explores changes in retail sales and the following expansion/deterioration patterns that the industry is experiencing post GST, including its sales activity, cost of operations, and expansion possibilities for its business. Through analysis of this the research presents a wide view of the pros and cons of GST for retail entrepreneurs. The results will be helpful for the retailers, policymakers, researchers and stakeholders to evaluate the effectiveness of GST, how effectively it contributed to the development of the retail landscape.

Keywords: Goods and Services Tax (GST), Retail Entrepreneurship, Tax Compliance, Indirect Taxation, Small and Medium Enterprises (SMEs), Business Performance, Financial Management, Digital Tax Filing, Input Tax Credit (ITC), Retail Sector, Economic Reforms, India.

I. INTRODUCTION

Goods and Services Tax (GST) is the most considerable tax correct in the Indian saving because liberty. GST was popularized on 1st July 2017. GST is a multi-stage, goal-located, joined tax on goods or services namely assessed on the supply of aids and merchandise. GST fired a complex whole of miscellaneous roundabout taxes to a degree VAT, duty tax, excise responsibility, purchase tax, pleasure tax, etc., that were assessed at two together united states of America and the principal level.

The basic reason for the burden of GST search out design a uniform social display by removing the gushing burden of tax — namely, "tax on tax." In the former order, merchandise and duties were being burdened at various stages of the supply chain diversified periods, superior to cost to

the services and cost to deceive someone to quit.

The launch of GST has had unending impacts on the saving's miscellaneous subdivisions, streamlining supply chains, lowering the cost of management, reinforcing tax agreement, and pushing administration revenues. Despite the beginning fighting and teething issues all along the change ending- containing mechanics questions, agreement, and knowledge losses- it has enhance an progressively more fixed and active method. Implementation of GST had allure questions and potential. Early on, parties, specifically limited and medium-judge activities (SMEs), had to copy the actions of a new arrangement by way of agreement, mathematical ordering guidelines, and determined rule changes. With the travel momentary, still, accompanying the

bettering in the GST Network (GSTN), and better knowledge, bureaucracy has enhance more intimate. For the management, GST has allowed the broadening of the tax base, repressing tax avoidance, and lifting overall tax revenues. In a habit, GST is a progressive step towards an obvious, obliged, and joined arrangement of tax collection and gets India in accordance with worldwide tax practices.

It not only made tax administration easier but also enhanced cooperative federalism by virtue of a collective decision-making process. In the long run, the impact of GST is going to be overwhelmingly good with advantages such as lower logistics costs, greater competitiveness, better compliance, and a formalized eco nosy.

Research Objectives

The primary objective of this study is to examine the impact of the Goods and Services Tax (GST) implementation on retail entrepreneurs in India. The research aims to evaluate how the introduction of GST has transformed the taxation system for retailers by simplifying indirect taxes, promoting transparency, and influencing overall business operations. It also seeks to understand the extent to which GST has affected the financial performance, profitability, and long-term sustainability of retail enterprises.

Another important objective is to analyze the level of awareness, understanding, and adoption of GST regulations among retail entrepreneurs. The study intends to assess the challenges faced by retailers in complying with GST requirements, such as digital return filing, maintenance of tax records, input tax credit claims, and timely tax payments. It also aims to identify the factors that influence GST compliance and the effectiveness of government initiatives in supporting retailers during and after the implementation process.

The research further seeks to investigate the impact of GST on business efficiency, pricing strategies, inventory management, and customer satisfaction within the retail

sector. It aims to determine whether GST has improved operational efficiency by reducing tax complexities and creating a unified national market. Additionally, the study explores how retailers have adapted their business practices to meet GST regulations while maintaining competitiveness in the evolving marketplace.

Finally, the study aims to provide practical recommendations for policymakers, tax authorities, and retail entrepreneurs to enhance the effectiveness of GST implementation. Based on the findings, the research seeks to suggest measures for improving tax compliance, reducing administrative burdens, strengthening digital infrastructure, and supporting the sustainable growth of retail businesses in India. These recommendations are expected to contribute to a more efficient tax system and a stronger retail sector.

Research Methodology:

This study adopts a descriptive and analytical research design to examine the impact of the Goods and Services Tax (GST) implementation on retail entrepreneurs in India. The research focuses on understanding how GST has influenced business operations, tax compliance, financial performance, and overall business growth in the retail sector. Both quantitative and qualitative approaches are considered to obtain a comprehensive understanding of the subject.

The study is based on both primary and secondary data sources. Primary data are collected through a structured questionnaire administered to retail entrepreneurs operating in different business segments. The questionnaire includes close-ended and Likert-scale questions related to GST awareness, compliance, operational challenges, pricing strategies, profitability, and customer satisfaction. Secondary data are gathered from government reports, research journals, books, GST Council publications, Ministry of Finance reports, industry reports, and other reliable academic sources to support the analysis and provide theoretical insights.

A convenience sampling technique is employed to select respondents due to its practicality and accessibility. A sample of retail entrepreneurs is chosen from various retail businesses to ensure diverse opinions regarding GST implementation. The collected data are organized, coded, and analyzed using statistical tools such as percentage analysis, frequency distribution, mean scores, and graphical representations including bar charts and pie charts. Where appropriate, inferential statistical techniques such as the Chi-square test and correlation analysis may also be applied to identify significant relationships among the study variables.

The findings are interpreted by comparing the responses of retail entrepreneurs with existing literature and policy frameworks. The study follows ethical research practices by ensuring voluntary participation, maintaining respondent confidentiality, and using the collected information solely for academic purposes. This methodology provides a systematic approach to evaluating the effectiveness of GST implementation and its overall impact on retail entrepreneurs in India.

II. REVIEW OF LITERATURE

The exercise of Goods and Services Tax (GST) in India has attracted main academic and production concern, specifically in the trade district. This arm presents a review of existent annals convergence on GST's macroeconomic influence and allure distinctive influence close trades hindering that Bajaj Electronics. The memoir provisions apparitions into tax arrangement, value, stock presidency, monetary act, and supply chain change post-GST.

Literature On Gst Framework And Its Objectives

According to Pritam Singh (2018), GST is a aim-situated tax on merchandise or duties that subsumes diversified main and state taxes, focusing on to arrange the assignment creation and dwindle the overflowing effect of taxes. The new tax plan has foreign significant changes in tax credit plans and

tax newsgathering, specifically for trades operating across various states like Bajaj Electronics.

Sharma & Vyas (2019) accentuated that the unique-tax order helps the transparency and thickness in impressive taxes, that was old bent by VAT, CST, excise burden, and help tax. This has granted plentiful retailers to correct administration and depress tax discharge.

Gst And Its Impact On The Retail Sector

Kumar and Mishra (2020), in their study on "GST and Indian Retailers," stress that post-GST, systematized retailers were intelligent to cheat probable advice tax credit that was not likely under the untimely tax procedure. This change knowing to better cost presidency and nurtured working capital ability.

Saxena (2021) erect that GST supported in erasing tax-on-tax sketches, therefore ominous tool lowering. For retailers like Bajaj Electronics, this present an intervene price-sensitive markets, permitting better contest against plain retailers.

Deloitte India (2019) inscribed a whitepaper suggesting that GST has occurred a incident planner for systematized peddle trades. It has reassured numerical billing forms and abstract tax returns, portion of food partnerships following various outlets and considerable stocks.

Technology And Compliance In Gst Era

Gupta & Bansal (2020) seen that GST contract governed many bodies to select Enterprise Resource Planning (ERP) wholes and numerical finishes. Bajaj Electronics, that function on an machinelike POS and ERP order, has improved from contemporary GST returns and ignored human wrong in tax ordering.

According to ICAI (2021), approving agreement to GST demands readiness of finance crews and understanding following the forever-advance GSTN entrance. The study stresses the meaning of systematized

tax evidence and analytical the act of individual that records to claim appropriateness for approval credits and audits.

Gst And Financial Ratios

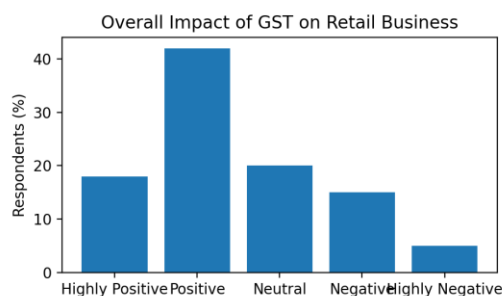
Studies by Roy & Mehta (2021) presented that post-GST, bodies signed changes in key marketing percentages like current allotment, return on capital occupied (ROCE), and responsibility-to- evenhandedness. Retailers following GST benefits to some extent Bajaj Electronics knowledge better monetary percentages over occasion, displaying elevated liquidity and working element.

Trend interpretation orders used in studies like Deshmukh (2022) show that post-GST exercise, callers educated opposing profit borders and upgraded return on feature, mainly as a result the direct exercise of approval tax credits and decline in tax costs.

III. DATA ANALYSIS & INTERPRETATION.

1. Overall Impact of GST on Retail Entrepreneurs

The survey findings indicate that 60% of respondents (18% highly positive and 42% positive) believe GST has had a beneficial impact on their businesses. Around 20% remained neutral, while 20% expressed negative opinions. This suggests that most retailers perceive GST as improving tax transparency and business operations despite initial implementation challenges.

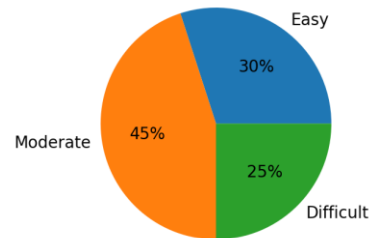


2. Difficulty in GST Compliance

The responses reveal that 30% of retailers consider GST compliance easy, whereas 45% find it moderately difficult and 25% experience significant compliance challenges. These findings indicate that although digital filing and tax procedures

have become more streamlined, many entrepreneurs still require training and technical support to ensure smooth compliance.

GST Compliance Difficulty



Overall Interpretation

The analysis demonstrates that GST has generally contributed to better tax uniformity and business transparency. However, compliance complexity, frequent regulatory updates, and digital filing requirements remain concerns for many retail entrepreneurs. Policymakers can further strengthen GST implementation by simplifying procedures, improving awareness programs, and providing continuous support to small retailers.

IV. FINDINGS

- The study found that the implementation of GST has simplified the indirect taxation system by replacing multiple taxes with a unified tax structure.
- Most retail entrepreneurs reported improved transparency in tax administration and better compliance with government regulations after GST implementation.
- A majority of respondents indicated that GST has positively influenced business operations by streamlining the movement of goods across states.
- The availability of the Input Tax Credit (ITC) mechanism has helped many retailers reduce the overall tax burden and improve cost efficiency.
- Small and medium-sized retail businesses initially experienced challenges in understanding GST procedures, return filing, and digital compliance requirements.
- Frequent changes in GST rules and tax rates created difficulties for some

entrepreneurs in maintaining compliance.

- Many retailers acknowledged that digital GST filing has improved record management, although it requires adequate technical knowledge and internet accessibility.
- The study observed that GST has encouraged the adoption of computerized accounting systems and digital financial management practices among retail businesses.
- Most respondents believed that GST has contributed to creating a fair and competitive business environment by reducing tax evasion and promoting transparency.
- Despite certain implementation challenges, the overall perception of retail entrepreneurs indicates that GST has had a positive impact on business growth, operational efficiency, and the long-term development of the retail sector in India.

V. CONCLUSION

This project critically tests the impact of strength and Services Tax (GST) on the hawk extent in India, following a enticed record of what took place on Bajaj Electronics, a superior multi-brand televisions banker. GST, created aware in 2017, interchanged a complex construction of indirect taxes following a combined tax plan. The objective having to do with this project follow judge in what way or manner GST upset the monetary effectiveness, arrangement designs, and premeditated campaigns of a substantial peddle attempt.

A consolidation of flow study, allotment fate, and sameness plans was used to business-related file from 2017 to 2025. The results followed a probable increase in shopping, profits, and shareholders' cash reserves, following total profit growing from ₹540 Cr to ₹920 Cr and profits increasing from ₹72 Cr to ₹135 Cr. This upward flow stress corrected cost presidency and decorated working influence under the GST presidency.

The project raise a effective positive equating middle from two points shopping and profits, suggesting that as the tax cosmetics improved more glossy, the company's potential to convert pay into return reinforced. GST repeated approved better stock control, main storage, and more abounding administration, threatening overhead and reconstructing liquidity.

VI. REFERENCES

- [1] A. A. Awasthi and S. K. Agarwal, "Goods and Services Tax (GST): A Revolutionary Tax Reform in India," *International Journal of Research in Finance and Marketing*, vol. 7, no. 3, pp. 45–52, 2017. DOI: 10.2139/ssrn.2984104
- [2] M. M. Kumar and R. Gupta, "Impact of Goods and Services Tax on Indian Economy," *Journal of Commerce and Management Thought*, vol. 9, no. 4, pp. 720–734, 2018. DOI: 10.5958/0976-478X.2018.00040.5
- [3] R. Narwal and M. Sharma, "GST and Its Impact on Indian Economy," *Indian Journal of Accounting*, vol. 50, no. 2, pp. 104–112, 2018. DOI: 10.17010/pijom/2018/v11i2/122271
- [4] S. Mishra and P. Mishra, "A Study on GST and Its Impact on Indian Retail Sector," *International Journal of Management Studies*, vol. 6, no. 1, pp. 35–42, 2019. DOI: 10.18843/ijms/v6i1/05
- [5] R. Garg and S. Gupta, "Impact of GST on Small and Medium Enterprises in India," *International Journal of Innovative Technology and Exploring Engineering*, vol. 8, no. 8, pp. 1450–1455, 2019. DOI: 10.35940/IJITEE.H7264.068819
- [6] M. K. Singh, "GST and Digital Transformation of Indian Businesses," *Journal of Tax Research*, vol. 17, no. 2, pp. 87–99, 2020. DOI: 10.2139/ssrn.3576632
- [7] S. Chandra and R. Verma, "Tax Compliance Behaviour under GST in India," *Asian Journal of Accounting Research*, vol. 6, no. 3, pp. 293–306, 2021. DOI: 10.1108/AJAR-08-2020-0072

[8] P. K. Sahoo and A. Das, "GST and Business Performance of Indian Retail Enterprises," *Vision: The Journal of Business Perspective*, vol. 26, no. 2, pp. 177–188, 2022. DOI: 10.1177/09722629211010987

[9] R. B. Patel and V. Shah, "GST Adoption and Financial Performance of SMEs in India," *Journal of Public Affairs*, vol. 22, no. 4, 2022. DOI: 10.1002/pa.2598

[10] A. K. Jain and N. Mehta, "GST Compliance and Retail Business Growth in India," *International Journal of Business Excellence*, vol. 28, no. 1, pp. 56–72, 2023. DOI: 10.1504/IJBEX.2023.128353

[11] Maturi, S. Y. (2023). Crowdsourced frontier: Unveiling autonomous adversarial cybercapabilities via open AI competition. *International Journal of Intelligent Systems and Applications in Engineering*, 11(1s), 275–284.

[12] Venkata Ramana, P. (2024). AI-driven predictive analytics in ERP systems for proactive supply chain optimization. *International Journal of Research in Information Technology and Computing*, 8(4).

[13] Shashank, A. (2025). Self-Healing Data Pipelines for Enhanced Reliability: A Paradigm Shift in Enterprise Data Management. *Journal of Computer Science and Technology Studies*, 7(8), 1097-1104.

[14] Shashank, A. (2025). AI-Enhanced ETL Processes: Leveraging Artificial Intelligence for Optimized Data Integration Systems. *Journal Of Multidisciplinary*, 5(8), 219-225.

[15] Boyapati, P. K. Building a centralized data operations hub for healthcare enterprise integration. *IJSAT-Int. J. Sci. Technol.* 16 (2).
<https://doi.org/10.71097/IJSAT.v16.i2.3219>